

Message Text

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61

ACTION ARA-20

INFO OCT-01 ISO-00 AEC-11 AID-20 CEA-02 CIAE-00 CIEP-02

COME-00 DODE-00 EB-11 FEA-02 FPC-01 H-03 INR-10

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E.O. 11652: N/A

TAGS: ENRG, VE

SUBJECT: COMMENTS ON PETROLEUM NATIONALIZATION: CONTINUED NEED
FOR FOREIGN TECHNOLOGY

1. RAFAEL SANDREA, PRESIDENT OF VENEZUELAN SOCIETY OF PETROLEUM ENGINEERS, REPORTEDLY SAID YESTERDAY (MAY 8) IN TESTIMONY ON OIL NATIONALIZATION PROPOSAL BEFORE MINES AND HYDROCARBONS COMMITTEE OF CHAMBER OF DEPUTIES THAT VENEZUELA HAS GRAVE SHORTAGE OF TECHNICALLY TRAINED PERSONNEL IN PETROLEUM INDUSTRY AND IT WILL THEREFORE HAVE TO RETAIN FOREIGN PERSONNEL IN PETROLEUM INDUSTRY AFTER NATIONALIZATION. SANDREA SAID THAT WHILE ONLY 3 PERCENT OF 22,000 EMPLOYEES WORKING IN LOWER POSITIONS IN PETROLEUM INDUSTRY ARE FOREIGNERS, 70 PERCENT OF PERSONNEL AT MANAGEMENT LEVELS ARE FOREIGN. SANDREA EMPHASIZED NEED FOR TRAINING PROGRAMS BUT SAID THAT IN MEANTIME, THERE IS NOTHING INCOMPATIBLE ABOUT FOREIGNERS CONTINUING TO WORK IN INDUSTRY AFTER NATIONALIZATION."

2. SANDREA'S STATEMENT IS NOTABLE FOR ITS FRANK ADMISSION OF NEED FOR CONTINUED FOREIGN PARTICIPATION ESPECIALLY SINCE, OF ALL PROFESSIONAL AREAS, VENEZUELA HAS BEEN MOST MILITANT IN PUSHING "VENEZUELANIZATION" OF ENGINEERING JOBS. AT BEHEST OF VENEZUELAN COLLEGE OF ENGINEERS, IMMIGRATION AUTHORITIES HAVE MADE IT
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DIFFICULT FOR SOME FOREIGN ENGINEERS TO GET THEIR RESIDENCE VISAS

RENEWED.

3. SANDREA ALSO ESTIMATED THAT VENEZUELA WILL HAVE A GREAT NEED FOR IMPORTED TECHNOLOGY TO OPERATE OIL INDUSTRY. HE SAID FURTHER THAT VENEZUELA WILL HAVE TO INVEST BETWEEN 20 AND 40 BILLION BOLIVARES EACH YEAR TO MAINTAIN ITS CURRENT LEVEL OF OIL PRODUCTION.
MCCLINTOCK

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